

PREVAILED

Roll Call No. _____

FAILED

Ayes _____

WITHDRAWN

Noes _____

RULED OUT OF ORDER

HOUSE MOTION _____

MR. SPEAKER:

I move that House Bill 1367 be amended to read as follows:

- 1 Page 4, between lines 1 and 2, begin a new line block indented and
- 2 insert: **"(1) an individual;"**.
- 3 Page 4, line 2, delete "(1)" and insert **"(2)"**.
- 4 Page 4, line 3, delete "or".
- 5 Page 4, line 4, delete "(2)" and insert **"(3)"**.
- 6 Page 4, line 4 before "a" delete "," and insert **"or"**.
- 7 Page 4, line 4, delete ", or any other entity" and insert **"; or"**.
- 8 Page 4, delete line 5, begin a new line block indented and insert:
- 9 **"(4) any other entity that has the authority to make loans."**
- 10 Page 4, line 10, delete "," and insert ".".
- 11 Page 4, line 10, strike "and" and insert **"Except as provided in**
- 12 **subsection (c), all liens"**.
- 13 Page 4, line 10, strike "all".
- 14 Page 4, line 12, delete ", and except the" and insert ".".
- 15 Page 4, delete lines 13 through 17, begin a new paragraph and
- 16 insert:
- 17 **"(c) The mortgage of a lender has priority over all liens under**
- 18 **this chapter recorded after the date the mortgage was recorded to**
- 19 **the extent of the funds actually owed to the lender for the specific**
- 20 **project to which the lien rights relate. This subsection does not**
- 21 **apply to a lien that relates to a construction contract for the**
- 22 **development, construction, alteration, or repair of a family**
- 23 **dwelling unit or units intended for long term residential occupancy**
- 24 **by a person or persons, such as single family residences, duplexes,**

1 condominiums, and apartment buildings."

2 Page 4, delete lines 31 through 41, begin a new paragraph and
3 insert:

4 "(c) A provision in a contract for the improvement of real
5 estate in Indiana is void if the provision requires a person
6 described in section 1 of this chapter who furnishes labor,
7 materials, or machinery to waive a right to a lien or to a claim
8 against a payment bond before the person is paid for the labor or
9 materials furnished.

10 SECTION 4. IC 32-8-3-17 IS ADDED TO THE INDIANA CODE
11 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
12 1, 1999]: **Sec. 17. A provision in a contract for the improvement of**
13 **real estate in Indiana is void if the provision makes the contract**
14 **subject to the laws of another state or that requires that any**
15 **litigation, arbitration, or other dispute resolution process on the**
16 **contract occur in another state.**

17 SECTION 5. IC 32-8-3-18 IS ADDED TO THE INDIANA CODE
18 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
19 1, 1999]: **Sec. 18. (a) This section applies to a provider of labor,**
20 **materials, or equipment under a contract for the improvement of**
21 **real estate that conditions the right of the provider to receive**
22 **payment on the obligor's receipt of payment from a third person**
23 **with whom the provider does not have a contractual relationship.**

24 (b) This section does not apply to a construction contract for
25 the construction, alteration, or repair of a family dwelling unit or
26 units intended for long term residential occupancy by a person or
27 persons, such as single family residences, duplexes, condominiums,
28 and apartment buildings.

29 (c) An obligor's receipt of payment from a third person shall
30 not be a condition precedent to, or in any way limit, or be a defense
31 to the provider's right to record or foreclose a lien against the real
32 estate that was improved by the provider's labor, material, or
33 equipment."

34 Renumber all SECTIONS consecutively.

(Reference is to HB 1367 as printed February 3, 1999.)

Representative Kuzman